

Single Stock Fund (SSF) Credit and Pricing Work Group Meeting
8/9 October 1998
Meeting Minutes

1. Synopsis of essential information.

a. Thursday, 8 October:

(1) Administrative: The meeting commenced with administrative information and welcoming remarks from the SSF PMO Team. Attendees were introduced and the agenda was presented.

(2) Implementing the Interim Credit Policy: LTC Mike Ramsey, SSF PMO Team, facilitated the initial discussion on roles and responsibilities for implementing the interim credit policy, (Tab A). He introduced and focused discussion on specific critical path events and related timelines. The key output from this discussion was a matrix of specific actions and target dates (Enclosure 1 to basic memorandum). During the discussion, Mr. Max McClellan, DALO-RMI, agreed to clarify credit rate guidance for Army-managed items (AMI) and non-AMI to USAMC. Figure 1 summarizes the credit rate guidance discussion:

AMI/NAMI CREDIT REATES, INTERIM CREDIT POLICY

	Serviceable			Unserviceable		
	Consumable		Reparable (DLR/FLR)		Reparable (DLR/FLR)	
	Required		Not Required		Not Rq'd	
AMI	Approx	LAC	LAC	\$0	\$0	CV
NAMI	3%	LAC	\$0	\$0	CV	\$0

-LAC = Latest Acquisition Cost (AMDF price minus surcharge)

-CV = Carcass Value (AMDF price minus surcharge minus average repair cost minus washout cost)

Fig. 1

AMI/NAMI CREDIT REATES, INTERIM CREDIT POLICY

	Serviceable			Unserviceable		
	Consumable		Reparable (DLR/FLR)		Reparable (DLR/FLR)	
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AMI	Approx	LAC	LAC	\$0	\$0	CV
NAMI	3%	LAC	LAC	\$0	\$0	CV

(3) Input for the FY 01-05 Mini-POM: LTC Ramsey then led discussion of specific actions, end products, individual responsibilities and due dates for developing and submitting input to the FY 01-05 Mini-POM. These actions were incorporated into the matrix described above.

b. Friday, 9 October.

(1) Administrative: The meeting began with a recap of the previous day's events. Minor changes were made to clarify the previous day's discussion.

(2) Transfer of installation functions under SSF: LTC Ramsey introduced the topic of which current installation Retail Stock Fund functions will logically be transferred to AMC to perform. The group discussed and analyzed instructions that need to be provided to the field for their Mini-POM budget build. Three options were proposed and discussed:

(a) Option 1 - Status quo. Not a true option under an interim credit policy that calls for a single-tier nationally based credit and eliminates MACOM retained credit which currently accommodates direct funded labor used to repair component items repair for the AWCF.

(b) Option 2 - Transfer resources (spaces and funding) to AMC for installation supply and component maintenance. MACOMs would transfer spaces and/or funding to AMC to meet their new responsibility for installation stock, store and issue functions and General Support component maintenance. AMC will direct fund installation supply functions and utilize AWCF Depot Maintenance funding for the component repair spaces.

(c) Option 3 - Mission Reimbursement. The provider would receive reimbursement for services from the supported agency. The group discussed two variants of this option: One, whereby AMC would reimburse the providing MACOM for the supply and maintenance service provided; the second, would require the MACOM to reimburse AMC, if all the resources (spaces and/or funding) were transfer to AMC. The second option would impose a significant burden on the installation to account for labor hours according to appropriation and reimbursable activity.

Option #2 was selected as the preferred option. PMO SSF will prepare a memorandum and coordinate it with DAMO-TR, ASA(FM&C) and DALO-RMI for forwarding to DPAE on 1 Nov 98 for inclusion in the Program Development Instructions (PDI) to the field.

(3) Solutions for MS 1 (FY 00) – A discussion was then held to get ideas and feedback on what actions are feasible in the near-term for accomplishing MS 1. The SSF Campaign Plan MS 1 tasks were reviewed and discussed at length. It was generally agreed that all tasks with the exception of "CCSS/SARSS/STARFIARS Interface and Visibility" were achievable by FY 00. A major risk identified was the STARFIARS-MOD system. DFAS has indicated that it cannot begin programming changes to STARFIARS-MOD until after 1 Apr 99, which is when their current STARFIARS-MOD fielding schedule will be complete. Without the necessary programming changes to STARFIARS-MOD, the Apr 99 SSF demonstration will not be able to show the effects that the credit/pricing rules (Interim Credit Policy) will have on AWCF-SMA and O&M accounts. PMO SSF will elevate the matter in writing to senior DFAS management for resolution.

(4) "Parking Lot Issue." During discussions about National Guard and Reserve participation in Integrated Sustainment Maintenance (ISM), questions arose about the proper procedures for National Guard (ARNG) units. These included how to make ARNG positions reimbursable, how ARNG units are workloaded, and how ARNG units will retain (storage & stockage) repaired compo-

nents. A related issue was how to capture USAR component repair positions in the SSF. Mr. Anderson, SAFM-BUR, volunteered to take the lead in resolving these issues.

c. Closing Remarks:

(1) MAJ Gerton, HQDA PAE, emphasized that completing items 3D, 4A and 6 on the responsibility matrix were critical to insuring that the Mini-POM is properly resourced with SSF requirements (enclosure 1 to the basic memo).

(2) Ms. Baker, PM SSF, summarized the meeting and thanked the participants for all their hard work during the session. She identified the following upcoming events as key toward moving the SSF forward:

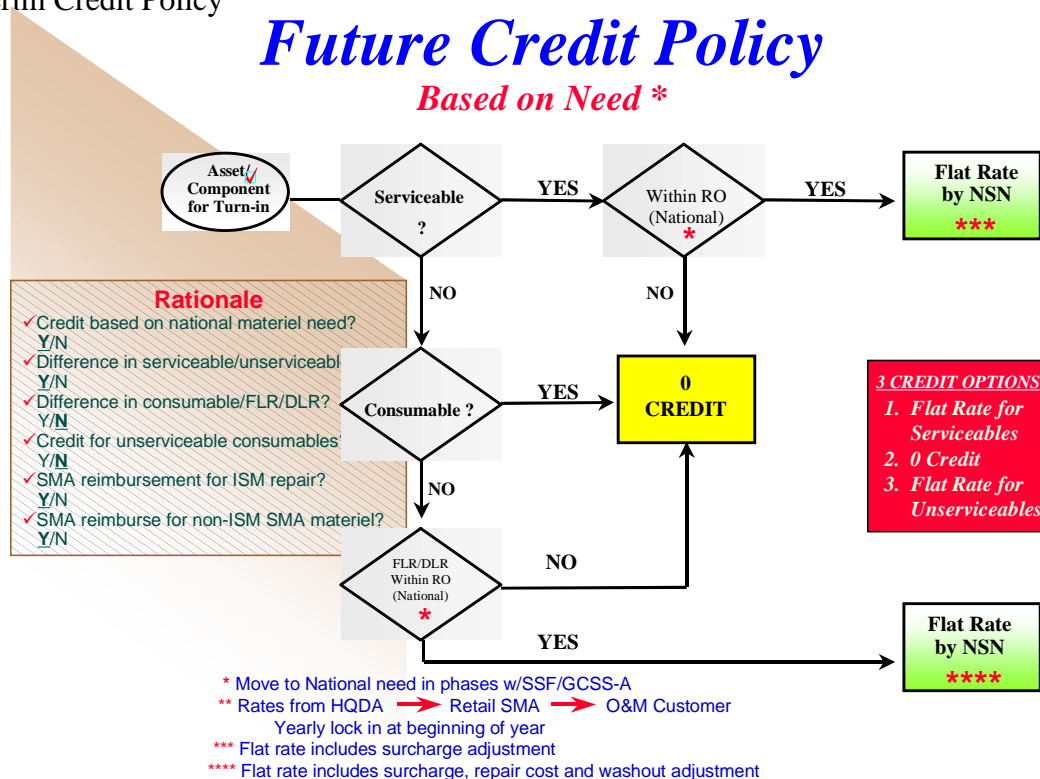
(a) A SSF Executive Steering Committee meeting will be scheduled in Nov/Dec timeframe to update the members on SSF progress to date and inform them of the next steps in the process.

(b) The initial draft SSF Demonstration Plan will be published for comment on 31 Oct 98.

(c) The MS 2 and 3 Business Rule Development Session is tentatively scheduled for 2d Qtr, FY 99. This session will develop MS 2/3 business rules and set the course for the remainder of the program.

(3) Ms. Baker concluded by noting that the SSF PMO will conduct periodic IPRs with the participants to review progress and course correct as necessary.

Tab A: Interim Credit Policy





DEPARTMENT OF THE ARMY
OFFICE OF THE DEPUTY CHIEF OF STAFF FOR
LOGISTICS
500 ARMY PENTAGON
WASHINGTON, DC 20310-0500

DALO-SSF (700)

15 Oct 98

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Single Stock Fund (SSF) Credit and Pricing Work Group Meeting, 8/9 Oct 98

1. Subject meeting was held to determine the actions and associated responsibilities to provide the Army with the proper alignment of resources in a SSF environment.
2. Discussion topics included (a) specific actions to implement the interim credit policy; (b) additional actions to support the FY 01-05 Mini-POM build; and (c) steps to accomplish SSF Milestone 1 (FY 00).
3. The key outcome was gaining consensus on a recommended course of action, with essential tasks, proponents, and suspense dates (enclosure 1). It is essential that organizations accomplish assigned actions to meet SSF and FY 01 - 05 Mini-POM requirements.
4. The meeting minutes are at enclosure 2 and the list of attendees is at enclosure 3. Participants are reminded of their requirement to forward critical issue items to their leadership (SSF Executive Steering Committee level) as soon as possible to support the completion of Mini-POM guidance by 1 Nov 98.
5. POC is Mitch Liakos, DSN 767-8535

FOR THE DEPUTY CHIEF OF STAFF FOR LOGISTICS:

3 Encls
as

/signed/
SUE BAKER
Program Manager,
Single Stock Fund

What	Who	When	Product	To Whom
Identify annual AWCF Component Repair/ Class IX historical data for depot (MRC D), SRA (MRC L), and intermediate levels (MRC H and MRC F/RC H); include demands, repair programs, shortfalls, cost, stockage levels (per CCSS ECP)	PM ISM: EMIS; AMC IMMCs: CCSS/SDS/MACOM coordination	30-Oct-98	Annual data/Sep 98 ROs	AMC-LG/RM
Merge AWCF Component Repair data to establish size of potential National Component Repair Program	AMC LG/RM	15-Nov-98	Requirements Study	coordination with NS and MACOMs
Develop annual National Component Repair Program (depot, ISM, contract)	AMC LG/RM	15-Nov-98	National average cost to repair	coordination with NS and MACOMs
Crosswalk National Component Repair Program to MACOM direct funding	AMC LG/RM	15-Nov-98	Many years of effort, type and size of programs	MACOMs; DALO-F
Synchronize RPI Candidate items with the National Component Repair Program	DALO-RMI	1-Nov-98	Scrubbed requirements	AMCLG-LG/RM
Provide serviceable & unserviceable return rates, by MACOM, based on SFDLR data	DALO-RMI	1-Nov-98	Rates	AMC; MACOMs to s
Establish policy for funding/reimbursing repairs under National Component Repair Program	ASA(FM&C); DALO-RMI assist	1-Nov-98	Army Policy; PDI	Publish to the field
Provide guidance to MACOMs for PDI process	PMO SSF coordinate with DAMO-TR, ASA (FM&C), DALO-RMI	1-Nov-98	Memorandum	PA&E
Establish a mechanism in CCSS to lock credit annually	AMC LG/RM	1-May-99	ECP implemented in CCSS	
Identify risk mitigation factor (buffer) for credit computation (transition from transaction to annual need basis)	DALO-RMI	1-Dec-98	New ECP required	AMC LG/RM
Develop CCSS ECP to implement 5B	AMCLG	1-Dec-98	ECP	
Clarify AMI/NAMI credit rates for the interim credit policy (per matrix)	DALO-RMI	15-Oct-98	Clear rates	AMC-LG/RM
Publish annual NSN by NSN standard price, serviceable credit value, unserviceable credit value	AMC LG/RM	1-Feb-99	Rates	DALO RM; pass to C
Update cost factor guidance (Logistics and Financial)	ASA (F&MC)/DALO-RMI asst	1-Feb-99 (D) 1-Mar-99 (F)	Data	CEAC
Determine impact of National credit/national ISM on log efficiencies ("Z" line)	DALO-RMP; PA&E assist	8-Mar-99	Adjusted POM	PBC; ARB
Provide cost factors for TRM	CEAC	15-Mar-99	OSMIS cost factors	DAMO-TR
Determine direct funding impact of interim credit policy	DAMO-TR/ASA(FM&C)	29-Mar-99	TRM run	PBC

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